

Pacific Interstate Offshore Company: Second Revised Volume No. 1
Title Page : Effective

FERC GAS TARIFF
Second Revised Volume No. 1
of
PACIFIC INTERSTATE OFFSHORE COMPANY

Filed with
FEDERAL ENERGY REGULATORY COMMISSION

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PRELIMINARY STATEMENT

Pacific Interstate Offshore Company is a natural gas company engaged in the business of transporting natural gas in interstate commerce pursuant to the authority, and subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC").

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RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

- 1.1 This Rate Schedule is available to any person (hereafter called "Shipper") who requests transportation service pursuant to Subparts B or G of Part 284 of the FERC's Regulations, converts from sales service, or replaces an existing firm shipper through capacity release and who has executed an FT-1 Transportation Service Agreement with Pacific Interstate Offshore Company (hereafter called "Transporter") for transportation service under this Rate Schedule.
- 1.2 Transporter shall accept written transportation requests for firm service under this Rate Schedule on a first-come/first-served basis determined in accordance with the Shipper's transportation service request date. The transportation service request date shall be the date and time Transporter receives the request from the Shipper pursuant to Section 6.4.
- 1.3 In the event that Transporter receives a request for firm transportation, Transporter shall contact all firm Shippers within 10 days. If any firm Shipper wishes to release all or a portion of its firm capacity, that capacity will be offered under the terms of Section 17 of the General Terms and Conditions of this Tariff.

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RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to the transportation of natural gas up to the Daily Contract Receipt Quantity set forth in Exhibit A to an FT-1 Transportation Service Agreement. The Monthly Contract Receipt Quantity shall equal the Daily Contract Receipt Quantity multiplied by the number of days in the month.
- 2.2 Curtailment or interruption of transportation service rendered pursuant to this Rate Schedule shall be subject to the conditions of force majeure as set forth in Section 8 of the General Terms and Conditions and in accordance with the provisions of Section 5 hereof.
- 2.3 Transportation service hereunder shall consist of the acceptance by Transporter of natural gas tendered by Shipper for transportation at the Receipt Point(s) specified in the executed Transportation Service Agreement, the transportation of that natural gas through Transporter's pipeline facility, and the delivery of that gas, after appropriate reductions as provided for in this Rate Schedule, to Shipper or for Shipper's account at the Delivery Point(s) specified in the executed Transportation Service Agreement.
- 2.4 All transportation service provided under this Rate Schedule shall be on a non-discriminatory basis.

3. RATE

3.1 Maximum Rate

The maximum rate under this rate schedule shall be the sum of the Reservation Fee and Transportation Charge as defined below in Sections 3.1.1 and 3.1.2, respectively.

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Substitute Fourth Revised Sheet No. 6 Substitute Fourth Revised Sheet No. 6 : Effective
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RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

3. RATE (Cont'd)

3.1 Maximum Rate (cont'd)

3.1.1 Reservation Fee

The monthly Reservation Fee charged under this Rate Schedule shall be \$3.38 per Dth times the daily Contract Receipt Quantity.

3.1.2 Transportation Charge

The transportation charge under this Rate Schedule shall be the applicable Annual Charge Adjustment Clause (ACA), currently .22 cents per Dth delivered during the billing month.

3.2 Transporter may charge an individual Shipper a rate for transportation service under this Rate Schedule that is less than the Maximum Rate. Transporter shall submit any reports required by FERC regulations with respect to any charges at less than the Maximum Rate defined in Section 3.1.

3.3 Minimum Rate

3.3.1 Minimum Bill

The Minimum Bill is applicable for any month regardless of gas volumes delivered.

The Minimum Bill is equal to all actual costs (including a monthly accrual of principal repayment and interest on debt) excluding return on equity, related income taxes, and the portion of depreciation allocated to equity.

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RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

3. RATE (Cont'd)

3.4 Deliveries After Transportation Losses

3.4.1 Transporter's daily delivered quantity to Shipper will equal: total Transporter deliveries divided by total Transporter receipts, multiplied by Transporter's daily receipts from Shipper.

3.4.2 Transporter will provide forecasts of transportation losses upon request.

4. FERC AND OTHER REGULATORY FEES

Each Shipper shall reimburse Transporter for all filing fees required by the FERC or any regulatory body related to service provided to Shipper under this Rate Schedule.

5. PRIORITY OF TRANSPORTATION SERVICE

5.1 Transporter shall schedule volumes tendered under this Rate Schedule pro rata among Transporter's firm transportation shippers according to Shipper's Daily Contract Receipt Quantity.

5.2 Curtailment of all transportation volumes provided under this Rate Schedule, shall be on a non-discriminatory, pro rata basis.

5.3 In the event of multiple requests for service to the same delivery point which exceed the capacity of such delivery point, capacity shall be allocated on a basis consistent with that provided under Section 5.2.

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RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

6. REQUESTS FOR TRANSPORTATION

6.1 Persons desiring transportation service must deliver a written, properly executed Request for Transportation to Transporter at the following address:

Pacific Interstate Offshore Company
Attn: Manager of Regulatory Affairs
633 West Fifth Street, M.L. 47V
Suite 5400
Los Angeles, CA 90071-2006
(213) 895-5780
Telefax No. (213) 895-5768

6.2 A Request for Transportation shall contain, at a minimum, the following information:

- (1) The type of service desired;
- (2) The proposed Receipt Point(s) by Transporter from Shipper or Shipper's designee and the quantity, quality and estimated Btu content of gas for each such point;
- (3) The proposed Delivery Point(s) from Transporter to Shipper or Shipper's designee and the quantity of gas for each such point;
- (4) The date on which service is requested to commence;

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RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

6. REQUESTS FOR TRANSPORTATION (cont'd)

6.2 (cont'd)

- (5) The date on which service is requested to terminate;
- (6) The names of any Production Working Interest Owners and any transporters of the gas to the Receipt Point for each Receipt Point;
- (7) The names of any transporters of the gas from the Delivery Point(s) for each Delivery Point(s);
- (8) The state(s) in which the gas to be transported will be produced and consumed;
- (9) The complete legal name and a legal description of Shipper;
- (10) The name, title, mailing address, and telephone number of the person designated by shipper for the purpose of scheduling and nominations.
- (11) The information, including mailing address of Shipper, necessary for billing under Section 9 of the General Terms and Conditions.

6.3 Acceptance of a Request for Transportation is contingent upon Shipper satisfying a credit appraisal by Transporter.

- (1) Such credit appraisal shall be based upon the following information and criteria:
 - (i) Shipper shall provide current financial statements, annual reports, 10-K reports or other filings with regulatory agencies, a list of all corporate affiliates, parent

RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

6. REQUESTS FOR TRANSPORTATION (cont'd)

6.3 (1) (cont'd)

(i) (cont'd)

and subsidiaries, and any reports from credit reporting agencies which are available. Transporter shall apply consistent evaluation practices to determine the acceptability of the Shipper's overall financial condition, and working capital.

(ii) Shipper shall provide a bank reference and at least two trade references. The results of reference checks and any credit reports submitted in 6.3, (1), (i) must show that Shipper's obligations are being paid on a reasonably prompt basis.

(iii) Shipper shall confirm that Shipper is not operating under any chapter of the bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor-in-possession operating under Chapter XI of the Federal Bankruptcy Act but only with adequate assurance that the transportation billing will be paid promptly as a cost of administration under the federal court's jurisdiction.

(iv) Shipper shall confirm in writing that Shipper is not subject to any pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition, which could cause a condition of insolvency, or the inability to exist as an on-going business entity.

RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

6. REQUESTS FOR TRANSPORTATION (cont'd)

6.3 (1) (cont'd)

(v) If Shipper has an on-going business relationship with Transporter, no delinquent balances should be consistently outstanding for natural gas transportation services made previously by Transporter and Shipper must have paid its account during the past according to the established terms and not made deductions or withheld payment for claims not authorized by contract.

(vi) Shipper shall confirm in writing that no significant collection lawsuits or judgments are outstanding which would seriously reflect upon the business entity's ability to remain solvent.

(2) If a Shipper fails to satisfy the credit criteria, such Shipper may still obtain transportation hereunder if it elects one of the following options: (i) payment of an advance deposit equal to three (3) months service; (ii) an irrevocable letter of credit in favor of Transporter drawn upon a bank acceptable to Transporter; (iii) a security interest in collateral provided by the Shipper and found to be satisfactory to Transporter; or (iv) guarantee, acceptable to Transporter, by a person or another entity which does satisfy the credit appraisal.

6.4 A request for Transportation shall not be deemed to have been received and accepted by Transporter until Transporter has received in writing the information required or requested under Sections 6.2 and 6.3 herein.

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RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

6. REQUESTS FOR TRANSPORTATION (cont'd)
 - 6.5 Transporter may require such other information as is required to comply with regulatory agencies' reporting or filing requirements.
 - 6.6 In the event that any information provided by Shipper in Section 6.1 through 6.5 changes, or Shipper is aware that a change may occur, Shipper shall be obligated to immediately provide written notice of such changes to Transporter.
7. SCHEDULING OF RECEIPTS AND DELIVERIES
 - 7.1 Shipper shall advise Transporter's dispatcher each day during normal business hours of the volume and Btu content of natural gas scheduled to be tendered at each of the Receipt Point(s) on the following operating day. On said following operating day, the receipt of such scheduled gas will be verified. Transporter shall exercise reasonable diligence and care to deliver, and Shipper shall accept, on a reasonably concurrent basis, the thermally equivalent quantity of natural gas, after appropriate adjustments as identified in Section 3.4 hereof and/or as may be stated in a similar provision of an executed Transportation Service Agreement, that Shipper desires Transporter to deliver at each of the Delivery Point(s). Subject to operating constraints, Transporter will allow Shipper to alter such scheduled receipts at any time during normal business hours.
 - 7.2 The daily scheduled volumes among shippers receiving service under Rate Schedule FT-1 shall not exceed their Daily Contract Receipt Quantity set forth in Exhibit A to the Shipper's executed FT-1 Transportation Service Agreement.

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RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

7. SCHEDULING OF RECEIPTS AND DELIVERIES (cont'd)

7.3 If monthly receipts by Transporter are in excess of Shipper's Monthly Contract Receipt Quantity by five (5) percent, Shipper shall pay the maximum Transportation Charge under Transporter's IT-1 Rate Schedule per MMBtu for delivery of all excess receipts.

7.3.1 Any charge, as stated in Section 7.3 above, shall be levied by Transporter and paid in dollars by any Shipper, within 45 days after receipt of notification by Transporter of the existence of excess receipts.

7.4 Transporter shall have the right, without liability, to interrupt or curtail the acceptance or delivery of gas due to constraints or operations upstream of the Receipt Points or downstream of the Delivery Points or if it becomes necessary to test, alter, modify or repair any facility or property comprising a part of, or appurtenant to, Transporter's system or otherwise related to its operation. Transporter will endeavor to cause a minimum of inconvenience to Shipper and will rectify any interruption or curtailment in a timely manner. Except in cases of unforeseen emergency, Transporter shall give a minimum of ten (10) days advance notice of such activity.

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RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

8. FACILITIES REIMBURSEMENT

Notwithstanding the exemption for the Santa Barbara Channel contained in Section 1334 (f) (1) (B) of the Outer Continental Shelf Lands Act, 43 USC Section 1334 (f) (1) (B), in the event that Transporter agrees that new and/or expanded facilities, as provided for under Part 157, Subpart F of the FERC's Regulations, are required to accommodate receipt and/or delivery of gas in order to render service pursuant to this Rate Schedule, Transporter shall have the right to design and construct such facilities, or in the alternative, to review the design and monitor the construction of such facilities by Shipper, assure that the quality of gas delivered to the Transporter meets the standards as set forth in Section 2 of the General Terms and Conditions and determine that the service provided hereunder would not detrimentally affect the operation of Transporter's facility. Shipper agrees to reimburse Transporter promptly upon receipt of Transporter's invoices, for all costs and expenses incurred by Transporter in connection with such design and construction, including without limiting the foregoing, any filing fees and permit costs associated with such facilities.

Transporter shall have title to and the exclusive right to operate and maintain all such new facilities.

9. GENERAL TERMS AND CONDITIONS

Unless otherwise expressly specified in this Rate Schedule or by the executed FT-1 Transportation Service Agreement, the General Terms and Conditions contained in this Second Revised Volume No. 1 are applicable to this Rate Schedule and are incorporated herein by reference and made a part hereof.

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

- 1.1 This Rate Schedule is available to any person (hereafter called "Shipper") who requests transportation service pursuant to Subparts B or G of Part 284 of the FERC's Regulations and who has executed an IT-1 Transportation Service Agreement with Pacific Interstate Offshore Company (hereafter called "Transporter") for transportation service under this Rate Schedule.
- 1.2 Transporter shall accept written transportation requests hereunder on a first-come/first-served basis determined in accordance with the Shipper's transportation service request date. The transportation service request date shall be the date and time Transporter receives a request from the Shipper pursuant to Section 6.4.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to the transportation of natural gas subject to the availability of capacity sufficient to provide service up to the Daily Contract Receipt Quantity set forth in Exhibit A to an IT-1 Transportation Service Agreement.
- 2.2 Curtailment or interruption of transportation service rendered pursuant to this Rate Schedule shall be subject to the conditions of force majeure as set forth in Section 8 of the General Terms and conditions and in accordance with the provisions of Section 5 hereof.

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

2. APPLICABILITY AND CHARACTER OF SERVICE (cont'd)

2.3 Transportation service hereunder shall consist of the acceptance by Transporter of natural gas tendered by Shipper to Transporter at the Receipt Point(s) specified in the executed IT-1 Transportation Service Agreement, the transportation of that natural gas through Transporter's pipeline facility, and the delivery of that gas, after appropriate reductions as provided for in this Rate Schedule, to Shipper or for Shipper's account at the Delivery Point(s) specified in the executed IT-1 Transportation Service Agreement.

3. RATE

3.1 Maximum Transportation Charge

The maximum transportation charge under this Rate Schedule shall be \$.111 per MMBtu delivered during the billing month plus the applicable Annual Charge Adjustment Clause (ACA) pursuant to FERC Order No. 472 as set forth in Section 3.1.2 of Rate Schedule FT-1. Transporter may charge an individual Shipper a rate for transportation service under this Rate Schedule that is less than the Maximum Rate. Transporter shall submit any reports required by FERC regulations with respect to any charges at less than the Maximum Transportation Charge.

3.2 Minimum Transportation Charge

The minimum rate for transportation service under this Rate Schedule shall be 0.00 cents per MMBtu delivered during the billing month.

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

3. RATE (cont'd)

3.3 Calculation of Monthly Billing

For billing purposes the rate calculated in Sections 3.1 or 3.2 above shall be multiplied by Shipper's monthly delivered quantity as defined in Section 3.4.

3.4 Deliveries after Transportation Losses

3.4.1 Transporter's daily delivered quantity to Shipper will equal: total Transporter deliveries divided by total Transporter receipts, multiplied by Transporter's daily receipts from Shipper.

3.4.2 Transporter will provide forecasts of transportation losses upon request.

3.5 All revenues received under this Rate Schedule shall be credited to Rate Schedule FT-1.

4. FERC AND OTHER REGULATORY FEES

Each Shipper shall reimburse Transporter for all filing fees required by the FERC or any regulatory body related to service provided the Shipper under this Rate Schedule.

5. PRIORITY OF TRANSPORTATION SERVICE

5.1 Transporter shall schedule transportation service hereunder immediately after scheduling all firm contract service pursuant to Rate Schedule FT-1.

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

5. PRIORITY OF TRANSPORTATION SERVICE (cont'd)

5.2 The daily scheduling priority among Shippers receiving service under Rate Schedule IT-1 shall be determined by the transportation service request date. Should two or more Shippers have the same transportation request date, then the Shipper paying the higher rate will have priority. Should two or more Shippers contract to pay the same rate and also have the same transportation request date, volumes shall be scheduled on a pro rata basis.

5.2.1 Should at any time during the term of an executed IT-1 Transportation Service Agreement, Transporter and Shipper contract to change the rate, the receipt point(s) or the term of such agreement, Shipper's transportation service request date shall be retained for purposes of establishing scheduling priority.

5.3 If over a 60-day period a Shipper fails to tender on average at least 80 percent of its scheduled daily gas volume, then Shipper shall be assigned a new Daily Contract Receipt Quantity which shall be the volume that was tendered over such period. This assignment may be waived by Transporter if it deems that the deficiency was beyond the control of Shipper. Any such waiver will be administered on a non-discriminatory basis.

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

5. PRIORITY OF TRANSPORTATION SERVICE (cont'd)

5.4 Curtailment of volumes Transporter has scheduled to transport in accordance with the provisions of Subsection 5.2 herein, shall be on the basis that the last Shipper(s) scheduled shall be the first Shipper(s) curtailed.

6. REQUESTS FOR TRANSPORTATION

6.1 Persons desiring transportation service must deliver a written, properly executed Request for Transportation to Transporter at the following address:

Pacific Interstate Offshore Company
Attn: Manager of Regulatory Affairs
633 West Fifth Street, M.L. 47V
Suite 5400
Los Angeles, CA 90071-2006
(213) 895-5780
Telefax No. (213) 895-5768

6.2 A Request for Transportation shall contain, at a minimum, the following information:

- (1) The type of service desired;
- (2) The proposed Receipt Point by Transporter from Shipper or Shipper's designee and the quantity, quality and an estimated Btu content of gas for each such point;
- (3) The proposed Delivery Point from Transporter to Shipper or Shipper's designee and the quantity of gas for each such point;
- (4) The date on which service is requested to commence;
- (5) The date on which service is requested to terminate;

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

6. REQUESTS FOR TRANSPORTATION (cont'd)

6.2 (cont'd)

- (6) The names of any Production Working Interest Owners and any transporters of the gas to the Receipt Point for each Receipt Point;
- (7) The names of any transporters of the gas from the Delivery Point for each Delivery Point;
- (8) The state(s) in which the gas to be transported will be produced and consumed;
- (9) The complete legal name and a legal description of Shipper;
- (10) The name, title, mailing address, and telephone number of the person designated by Shipper for the purpose of scheduling and nominations.
- (11) The information, including mailing address of Shipper, necessary for billing under Section 9 of the General Terms and Conditions.

6.3 Acceptance of a Request for Transportation is contingent upon Shipper satisfying a credit appraisal by Transporter.

- (1) Such credit appraisal shall be based upon the following information and criteria:
 - (i) Shipper shall provide current financial statements, annual reports, 10-K reports or other filings with regulatory agencies, a list of all corporate affiliates, parent companies and subsidiaries, and any reports from credit reporting agencies which are available. Transporter shall apply consistent evaluation practices to determine the acceptability of the Shipper's overall financial condition, and working capital.

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

6. REQUESTS FOR TRANSPORTATION (cont'd)

6.3 (1) (cont'd)

- (ii) Shipper shall provide a bank reference and at least two trade references. The results of reference checks and any credit reports submitted in 6.3, (1), (i) must show that Shipper's obligations are being paid on a reasonably prompt basis.
- (iii) Shipper shall confirm that Shipper is not operating under any chapter of the bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor-in-possession operating under Chapter XI of the Federal Bankruptcy Act but only with adequate assurance that the transportation billing will be paid promptly as a cost of administration under the federal court's jurisdiction.
- (iv) Shipper shall confirm in writing that Shipper is not subject to any pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition, which could cause a condition of insolvency, or the inability to exist as an on-going business entity.

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

6. REQUESTS FOR TRANSPORTATION (cont'd)

6.3 (1) (cont'd)

(v) If Shipper has an on-going business relationship with Transporter, no delinquent balances should be consistently outstanding for natural gas transportation services made previously by Transporter and Shipper must have paid its account during the past according to the established terms and not made deductions or withheld payment for claims not authorized by contract.

(vi) Shipper shall confirm in writing that no significant collection lawsuits or judgments are outstanding which would seriously reflect upon the business entity's ability to remain solvent.

(2) If a Shipper fails to satisfy the credit criteria, such Shipper may still obtain transportation hereunder if it elects one of the following options: (i) payment of an advance deposit equal to three (3) months service; (ii) an irrevocable letter of credit in favor of Transporter drawn upon a bank acceptable to Transporter; (iii) a security interest in collateral provided by the Shipper and found to be satisfactory to Transporter; or (iv) guarantee, acceptable to Transporter, by a person or another entity which does satisfy the credit appraisal.

6.4 A Request for Transportation shall not be deemed to have been received and accepted by Transporter until Transporter has received in writing the information required or requested under Sections 6.2 through 6.3 herein.

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

6. REQUESTS FOR TRANSPORTATION (cont'd)

6.5 Transporter may require such other information as is required to comply with regulatory agencies' reporting or filing requirements.

6.6 In the event that any information provided by Shipper in Section 6.1 through 6.5 changes, or Shipper is aware that a change may occur, Shipper shall be obligated to immediately provide written notice of such changes to Transporter.

7. SCHEDULING OF RECEIPTS AND DELIVERIES

7.1 Shipper shall advise Transporter's dispatcher each day during normal business hours of the volume and Btu content of natural gas scheduled to be tendered at each of the Receipt Point(s) on the following operating day. On said following operating day, the receipt of such scheduled gas will be verified. Transporter shall exercise reasonable diligence and care to deliver, and Shipper shall accept, on a reasonably concurrent basis, the thermally equivalent quantity of natural gas, after appropriate adjustments as identified in Section 3.4 and/or as may be stated in a similar provision of an executed Transportation Service Agreement, that Shipper desires Transporter to deliver at each of the Delivery Point(s).

7.2 Daily scheduled volumes among Shippers receiving service under Rate Schedule IT-1 shall not exceed their Daily Contract Receipt Quantity set forth in Exhibit A to the Shipper's executed IT-1 Transportation Service Agreement.

7.3 Transporter shall have the right, without liability, to interrupt or curtail the acceptance or delivery of gas due to constraints or operations upstream of

RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

7. SCHEDULING OF RECEIPTS AND DELIVERIES (cont'd)

7.3 (cont'd)

the Receipt Points or downstream of the Delivery Points or if it becomes necessary to test, alter, modify or repair any facility or property comprising a part of, or appurtenant to, Transporter's system or otherwise related to its operation. Transporter will endeavor to cause a minimum of inconvenience to Shipper. Except in cases of unforeseen emergency, Transporter shall give a minimum of ten (10) days advance notice of such activity.

8. FACILITIES REIMBURSEMENT

Notwithstanding the exemption for the Santa Barbara Channel contained in Section 1334 (f) (1) (b) of the Outer Continental Shelf Lands Act, 43 USC Section 1334 (f) (1) (B), in the event that Transporter agrees that new and/or expanded facilities, as provided for under Part 157, Subpart F of the FERC's regulations, are required to accommodate receipt and/or delivery of gas in order to render service pursuant to this Rate Schedule, Transporter shall have the right to design and construct such facilities or, in the alternative, to review the design and monitor the construction of such facilities by Shipper, assure that the quality of gas delivered to the Transporter meets the standards as set forth in Section 2 of the General Terms and Conditions and determine that the service provided hereunder would not detrimentally affect the operations of Transporter's pipeline facility. Shipper agrees to reimburse Transporter, promptly upon receipt of Transporter's invoices, for all costs and expenses incurred by Transporter in connection with such design and construction, including without limiting the foregoing, any filing fees and permit costs associated with such facilities.

Transporter shall have title to and the exclusive right to operate and maintain all such new facilities.

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RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE

9. GENERAL TERMS AND CONDITIONS

Unless otherwise expressly specified in this Rate Schedule or by the executed IT-1 Transportation Service Agreement, the General Terms and Conditions contained in this Second Revised Volume No. 1 are applicable to this Rate Schedule and are incorporated herein by reference and made a part hereof.

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GENERAL TERMS AND CONDITIONS

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GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

The following terms, when used in this Tariff, these General Terms and Conditions, or in a Service Agreement executed for service under a Rate Schedule contained in this Tariff, shall have the following meanings:

- 1.1 The term "natural gas" or "gas" shall mean any hydrocarbon mixture or mixture of hydrocarbons consisting essentially of methane, other hydrocarbons, and noncombustible gases in a gaseous state which is extracted from the subsurface of the earth in its natural state separately and together with liquid hydrocarbons; provided, however, that natural gas as used herein also includes such gas after treatment to remove certain components thereof. The term "gas stream" means a mixture of gas and other combustible or noncombustible gases, liquids or products entrained herewith.
- 1.2 The term "British thermal unit (Btu)" shall mean the amount of heat required to raise the temperature of one avoirdupois pound of pure water from 58-1/2 to 59-1/2 degrees Fahrenheit at a constant pressure of 14.73 psia.
- 1.3 The term "Mcf" shall mean 1,000 cubic feet of gas as determined on the measurement basis set forth under Section 3 of these General Terms and Conditions.
- 1.4 The term "psia" shall mean pounds per square inch absolute.
- 1.5 The term "psig" shall mean pounds per square inch gauge.
- 1.6 The term "delivery point" shall mean the point of delivery for quantities of gas to be transported by Transporter to Shipper, as described in the executed Service Agreement between Transporter and Shipper.

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GENERAL TERMS AND CONDITIONS (cont'd)

1. DEFINITIONS (cont'd)

- 1.7 The term "decatherm" or "MMBtu" shall mean 1,000,000 Btus.
- 1.8 The term "total heating value" shall mean the number of Btus evolved by the complete combustion with air, at a temperature of 60 degrees Fahrenheit and under a pressure of 14.73 psia, and when the products of combustion are cooled to the initial temperature of the gas and air and all water formed by combustion is condensed to the liquid state. The measurement of the quantity of gas burned in determining the total heating value shall be based on gas on a water-free basis. Whenever the words "heating value" or "Btu content" are used herein, such words shall mean total heating value as defined above.
- 1.9 The term "Month" or "Billing Month" shall mean the period beginning on the first day of a calendar month and ending at the same hour on the first day of the next succeeding calendar month.
- 1.10 The term "Transporter" shall mean Pacific Interstate Offshore Company.
- 1.11 The term "Shipper" shall mean a party which executes a Transportation Service Agreement with Transporter for full service under Transporter's Rate Schedule FT-1 or IT-1.
- 1.12 The Term "EBB" shall mean Electronic Bulletin Board.

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GENERAL TERMS AND CONDITIONS (cont'd)

2. QUALITY

2.1 Delivery and Receipt Specifications

All gas delivered or received or caused to be delivered or received by Shipper to Transporter and by Transporter for delivery to Shipper shall conform to the following quality specifications:

- (a) Heat Content. The gas shall have a heating value per cubic foot not less than 1000 Btu's or more than 1250 Btu's. Best efforts will be made by Transporter to accept gas offered with a heating value of between 980 Btu and 999 Btu.
- (b) Hydrogen Sulfide. The gas shall not contain more than .30 grain of hydrogen sulfide per hundred cubic feet.
- (c) Organic Sulfur. The gas shall not contain more than .30 grain of organic sulfur per hundred cubic feet.
- (d) Total Sulfur. The gas shall not contain more than 1.0 grain of total sulfur per hundred cubic feet.
- (e) Carbon Dioxide. The gas shall not contain more than 3% carbon dioxide by volume, provided heat content does not exceed 1050 Btu's. If heat content is 1050 Btu's or greater, the gas shall not contain more than 4% carbon dioxide by volume.
- (f) Inert Substances. The gas shall not contain more than 4% carbon dioxide and nitrogen by volume, provided heat content does not exceed 1050 Btu's. If heat content is 1050 Btu's or greater, the gas shall not contain more than 6% of carbon dioxide and nitrogen by volume.

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GENERAL TERMS AND CONDITIONS (cont'd)

2. QUALITY (cont'd)

2.1 Delivery/Receipt Specifications (cont'd)

- (g) Impurities. The gas shall be commercially free from dust, gums, sand, oil or other foreign substances which adversely affect the marketability of the gas, or which are injurious to Transporter's pipelines or other facilities.
- (h) Water and Hydrocarbon Dew Point. The gas shall not have a water or hydrocarbon dew point in excess of 45 degrees Fahrenheit at delivery pressures.
- (i) Odorization. The gas shall be odorized by Transporter pursuant to the standards prescribed by the California Public Utilities Commission General Order 58A and B and any successor orders.
- (j) Oxygen. The gas shall be as free of oxygen as Shipper can keep it through the exercise of all reasonable precautions and shall not in any event contain more than .2% oxygen by volume.

2.2 Failure to Conform (Delivery)

If the gas stream offered for delivery by Transporter shall fail at any time to conform to any of the quality specifications set forth above, Shipper will notify Transporter of such deficiency. In the event Shipper notifies Transporter of the unmarketability of gas due to unforeseen chemical content, either party may charge to treat such gas to allow its marketability. In any event, Shipper may refuse to accept further delivery pending correction by Transporter.

GENERAL TERMS AND CONDITIONS (cont'd)

2. QUALITY (cont'd)

2.3 Failure to Conform (Receipt)

If the gas stream received by Transporter shall fail at any time to conform to any of the quality specifications set forth above, Transporter will notify Shipper of such deficiency and if Shipper fails to remedy such deficiency promptly, Transporter may refuse to accept further receipt pending correction by Shipper.

3. MEASUREMENT

3.1 The methods of computing measured quantities shall be in accordance with the recommendations set forth in AGA Measurement Committee Report No. 3 or as such recommendations may be amended from time to time, and the specific system of computation shall be mutually agreed upon by Shipper/Shipper's Agent and Transporter.

3.2 The quantities of gas delivered or received hereunder shall be measured according to Boyle's Law and Charles' Law for the measurement of gas under varying pressures and temperatures with deviation therefrom as provided in paragraph (f) of this Section, and shall be determined as follows:

- (a) The unit of volume for the purpose of measurement shall be 1 cubic foot of gas at a base temperature of 60 degrees Fahrenheit, and at a pressure base of 14.73 psia.
- (b) The assumed atmospheric pressure at the point of delivery shall be 14.73 psia irrespective of actual elevation or location of point of delivery.
- (c) the arithmetic average of gas temperatures recorded during the periods of flow only shall be deemed the gas temperature for the purpose of calculating quantities.

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GENERAL TERMS AND CONDITIONS (cont'd)

3. MEASUREMENT (cont'd)

3.2 (cont'd)

- (d) The specific gravity of the gas shall be determined by continuous use of a recording gravitometer or any other industry accepted instruments and methods for determining specific gravity as may be agreed upon by Shipper/Shipper's Agent and Transporter and so installed that it will monitor the specific gravity of the gas measured; the arithmetic average specific gravity recorded during periods of flow only shall be deemed the specific gravity of the gas for the purpose of calculating quantities.
- (e) The total heating value of the flowing gas shall be determined by use of a continuous recording calorimeter of a make and type as may be agreed upon by Shipper/Shipper's Agent and Transporter and so installed that it will monitor the total heating value of the gas measured or any other method generally accepted in the industry and mutually agreed upon.
- (f) The deviation of the gas from Boyle's Law, used in the computation of quantities, shall be determined by tests at intervals of one month or at such other intervals as are found necessary; a complete analysis of the physical and chemical properties of the gas shall be made and the determination of deviation shall be made by applying this data to tables of "Supercompressibility Factors for Natural Gas" published by the AGA in conjunction with AGA Measurement Committee Report No. 3, or as such rules, regulations, and factors may be amended from time to time, or any other methods of determination as may be mutually agreed upon.

3.3 Quantities of gas received by Transporter for transportation shall be analyzed as follows:

GENERAL TERMS AND CONDITIONS (cont'd)

3. MEASUREMENT (cont'd)

3.3 (cont'd)

3.3.1 The H₂S and CO₂ concentration of the gas shall be determined by chromatograph or other industry accepted instruments as may be mutually agreed upon by Shipper/Shipper's Agent and Transporter and installed so as to continuously monitor the composition of the gas.

3.3.2 Shipper/Shipper's Agent shall record on a continuous basis the following gas stream information and communicate such information to Transporter's control center:

- | | |
|------------------|-----------------------------------|
| a) gas volume | b) H ₂ S concentration |
| c) heating value | d) flow temperature |
| e) water content | f) flow pressure at receipt point |

In the event of multiple Shippers and/or gas supplies, Shipper/Shipper's Agent(s) may be required to install facilities to telemeter the above gas stream information and also:

- | | |
|----------------------------------|---------------------|
| a) CO ₂ concentration | b) specific gravity |
|----------------------------------|---------------------|

3.3.3 The water content of the gas shall be determined by the use of a moisture analyzer as may be mutually agreed upon by Shipper/Shipper's Agent and Transporter and installed so as to continuously monitor the moisture content of the gas.

3.3.4 Notwithstanding the provisions of this Section, in no event shall any existing Shipper or existing facility connected to the pipeline be required to install new equipment to meet these standards unless required to do so by government action.

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GENERAL TERMS AND CONDITIONS (cont'd)

4. MEASURING EQUIPMENT

4.1 Measuring Station

Transporter shall install, maintain and operate, or shall cause to be installed, maintained and operated, a measuring station properly equipped with standard orifice meters having flange connections, or standard displacement meters, and other necessary measuring equipment by which the quantity of gas delivered or received hereunder shall be measured. The measurement facilities, including all primary and secondary elements shall be of mutually approved makes or types and shall be installed and operated in accordance with joint Bureau of Standards, AGA, ASME recommendations dated September 1969, revised, as Gas Measurement Committee Report No. 3 of American Gas Association, with corrections for deviations from Boyle's Law, and any amendments thereto which may be mutually acceptable to Shipper/Shipper's Agent and Transporter and shall include the use of straightening vanes. Shipper/Shipper's Agent and Transporter shall have access to such measuring equipment at all reasonable hours, but the reading, calibrating and adjusting thereof and the changing of charts shall be done only by Transporter. The chart cycle shall not exceed 24 hours.

4.2 Check Measuring Equipment

Shipper/Shipper's Agent may install, maintain and operate at its own expense, such check measuring equipment as it shall desire, provided that such equipment shall be so installed as not to interfere with the operation of Transporter's measuring equipment at or near the point of delivery or receipt. Transporter shall have access to such check measuring equipment at all reasonable hours, but the reading, calibrating and adjusting thereof and the changing of charts shall be done only by Shipper/Shipper's Agent.

GENERAL TERMS AND CONDITIONS (cont'd)

4. MEASURING EQUIPMENT (cont'd):

4.3 Care Required

All installations of measuring equipment, applying to or affecting deliveries or receipts hereunder, shall be made in such manner as to permit an accurate determination of the quantity of gas delivered or received and ready verification of the accuracy of measurement. Reasonable care shall be exercised by Shipper/Shipper's Agent in the installation, maintenance and operation of any pressure regulating equipment which it may install so as to avoid, so far as practicable, any inaccuracy in the determination of the volume of gas delivered or received hereunder.

4.4 Failure of Measurement Equipment

In the event measuring equipment is out of service, or registering inaccurately, the quantity of gas delivered or received hereunder shall be estimated:

- (a) By using the registration of any check measuring equipment if installed and accurately registering, or, in the absence of (a);
- (b) By correcting the error if the percentage of error is ascertainable by calibration, test, or mathematical calculation, or, in the absence of both (a) and (b) then;
- (c) By estimating the quantity of delivery or receipt by deliveries or receipts during periods under similar conditions when the equipment was registering accurately.

Any estimates of quantities shall be reported on the appropriate bill to the Shipper/Shipper's Agent with the explanation of such estimate and supporting data as to how the estimate was prepared.

GENERAL TERMS AND CONDITIONS (cont'd)

4. MEASURING EQUIPMENT (cont'd)

4.5 Test of Measuring Equipment

Transporter shall verify the accuracy of the measuring equipment, including calorimeters, by monthly routine tests or more often if use so dictates, in the presence of representatives of Shipper/Shipper's Agent and Transporter. In the event that either party notifies the other party that it desires a special test of any measuring equipment, the parties shall cooperate to secure prompt verification of the equipment.

4.6 Correction for Errors of Measuring Equipment

If, upon test, any measuring equipment, including recording calorimeters, is found to be in error by not more than one percent, previous recordings of such equipment shall be considered accurate in computing deliveries hereunder; but such equipment shall be adjusted at once to record correctly. If, upon test, any measuring equipment shall be found to be inaccurate by an amount exceeding one percent, at a recording corresponding to the average hourly rate of flow for the period since the last preceding test, or if, upon test, a recording calorimeter shall be found to be inaccurate by an amount exceeding one percent, then any previous recordings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of last test, to the nearest day, not exceeding a correction period of 16 days.

4.7 Preservation of Records

Each party shall preserve for a period of at least three years all test data, charts and other similar records, or such other period as shall be required by the Federal Energy Regulatory Commission.

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GENERAL TERMS AND CONDITIONS (cont'd)

4. MEASURING EQUIPMENT (Cont'd)

4.8 Notwithstanding the provisions of this Section, in no event shall any existing Shipper or existing facility connected to the pipeline be required to install new equipment to meet these standards unless required to do so by government action.

5. DELIVERY PRESSURE

Transporter will maintain, or will cause to be maintained, at the point(s) of delivery such pressure as may reasonably be required by Shipper as specified in the Service Agreement.

6. RECEIPT AND DELIVERY POINT(S)

The point(s) of delivery and receipt for all gas delivered or received, or caused to be delivered or received, by Transporter to Shipper shall be designated in the Service Agreement.

6.1 Flexible Receipt and Delivery Points

If operationally feasible, Transporter will provide flexible receipt and delivery points when requested by Shipper. Any construction of facilities to provide for alternate receipt/delivery points shall be done on a non-discriminatory basis as provided under Section 8 of Rate Schedules FT-1 and IT-1.

7. POSSESSION OF AND RESPONSIBILITY FOR GAS

7.1 Possession and Responsibility

Transporter shall be deemed to be in control and possession of the gas transported hereunder only after the gas is received at the Point of Receipt, and before it is delivered at the Point of Delivery. Shipper shall be deemed to be in control and possession at all other times.

GENERAL TERMS AND CONDITIONS (cont'd)

7. POSSESSION OF AND RESPONSIBILITY FOR GAS (cont'd)

7.1 Possession and Responsibility (cont'd)

Whichever of Transporter or Shipper is deemed to be in control and possession of the gas will be responsible for and shall indemnify the other party with respect to any losses, injuries, claims, liabilities or damages caused thereby and occurring while the gas is in its possession, unless caused by excessive pressure upon delivery for which the delivering party shall remain responsible.

7.2 Indemnity

To the fullest extent permitted by law, Transporter and Shipper shall each indemnify, defend, and hold harmless the other, its parents, affiliates, officers, directors, employees and agents from and against any and all loss, costs (including reasonable attorneys fees), fines and penalties, damage, injury, liability, and claims (collectively "Claims") for: (i) injury to or death of persons (including employees of Transporter or Shipper), (ii) loss of, damage to or destruction of tangible property, and (iii) violation of law, resulting directly or indirectly from such indemnifying party's performance of, or failure to perform, its obligations under the Transportation Service Agreement and these General Terms and Conditions (including, without limitation, the quality and pressure of the gas stream delivered hereunder and the installation, maintenance and operation of property, equipment and facilities) or any other

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GENERAL TERMS AND CONDITIONS (cont'd)

7. POSSESSION OF AND RESPONSIBILITY FOR GAS (cont'd)

7.2 Indemnity (cont'd)

of such party's negligent or wrongful actions or omissions in any way related to its obligations thereunder, excluding only indemnification for Claims to the extent caused or contributed to by the negligence or misconduct of the person to be indemnified. Additionally, Shipper shall indemnify, defend and hold harmless Transporter, its parents, affiliates, officers, directors, employees and agents from any and all Claims arising from: (i) liens or encumbrances on, or adverse claims to, the gas; (ii) royalties, overriding royalties or other payments in the nature of royalties on the gas; and (iii) taxes, licenses, fees or charges on the gas or on its delivery.

8. FORCE MAJEURE

8.1 Effect of Force Majeure

If either Shipper or Transporter is rendered unable, wholly or in part, to perform its obligations under this Agreement, other than the obligation to make payments due hereunder, it is agreed that performance of the respective obligations of Transporter and Shipper to deliver and receive gas, so far as they are affected by such force majeure event enumerated herein shall be suspended from the inception of any such inability until it is corrected but for no longer period.

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GENERAL TERMS AND CONDITIONS (cont'd)

8. FORCE MAJEURE (cont'd)

8.1 Effect of Force Majeure (cont'd)

Either Shipper or Transporter claiming such inability shall give notice thereof to the other as soon as practicable after the occurrence of the force majeure event. If such notice is first given by telephone or radio communication, it shall be confirmed promptly in writing giving full particulars. Shipper or Transporter claiming such inability shall promptly correct such inability to the extent it may be corrected through the exercise of reasonable diligence.

Neither Shipper nor Transporter shall be liable to the other for any losses or damages, except for the payment of money due, regardless of the nature thereof and howsoever occurring, whether such losses or damages be direct or indirect, immediate or remote, by reason of, caused by, arising out of, or in any way attributable to the suspension of performance of any obligation of either Shipper or Transporter when such suspension occurs because either Shipper or Transporter is rendered unable, wholly or in part, by an event of force majeure to perform its obligations.

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GENERAL TERMS AND CONDITIONS (cont'd)

8. FORCE MAJEURE (cont'd)

8.2 Nature of Force Majeure

The term "force majeure" as used herein shall mean:

- (a) Acts of God or acts of providence including, without limitation, epidemics, landslides, hurricanes, floods, washouts, lightning, earthquakes, periods of the sea, and whether preceded by, concurrent with, or followed by acts or omissions of any human agency, whether foreseeable or not, which directly or indirectly results in either Transporter or Shipper's inability to perform its obligations beyond its reasonable control.

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GENERAL TERMS AND CONDITIONS (cont'd)

8. FORCE MAJEURE (cont'd)

8.2 Nature of Force Majeure (cont'd)

- (b) Acts of Government including, without limitation, laws, orders, rules, decrees, judgments, judicial actions, regulations, acts of arrest or restraint, by any government (de jure or de facto), or any agency, subdivision, or instrumentality thereof, transportation, handling, sale or delivery of the subject matter of such Agreement, when any such act of Government directly or indirectly results in Shipper or Transporter's inability to perform its obligations beyond its reasonable control.
- (c) Acts of Civil Disorder including, without limitation, acts of sabotage, acts of the public enemy, acts of war (declared or undeclared), blockades, insurrections, riots, mass protests or demonstration, and police action in connection with or in reaction to any such acts of Civil Disorder, when any such act of Civil Disorder directly or indirectly results in Shipper or Transporter's inability to perform its obligations beyond its reasonable control.
- (d) Acts of Industrial Disorder including, without limitation, strikes and lockouts, when such act of Industrial Disorder directly or indirectly results in Shipper's or Transporter's inability to perform its obligations; provided, that the settlement of any labor dispute to prevent or end any such act of Industrial Disorder shall be within the sole discretion of the Shipper or Transporter involved in such labor dispute. The requirement that any inability shall be corrected with reasonable diligence shall not require the settlement of disputes, strikes or lockouts which requires acceding to the demands of any union(s) and/or employees when such course is inadvisable in the sole discretion of the Transporter or Shipper involved in the labor dispute.

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GENERAL TERMS AND CONDITIONS (cont'd)

8. FORCE MAJEURE (cont'd)

8.2 Nature of Force Majeure (cont'd)

- (e) Failures of facilities shall include without limitation, freezing of wells or lines of pipe, failures resulting from fires, washouts, mechanical breakdowns, malfunctions or necessities for making repairs or alterations to plant installations, machinery, lines of pipe, pumps, compressors, valves, gauges or any of the equipment therein or thereon, and cratering, blowout, or failure of any supplier well or wells to produce, when any such failure of facilities directly or indirectly results in Shipper's or Transporter's inability to perform its obligations beyond its reasonable control.
- (f) Any occurrence, condition or situation not covered by subparagraphs (a) through (e) above, which renders Shipper or Transporter unable to perform its obligations beyond its reasonable control, and provided either Shipper or Transporter could not have prevented such occurrence, condition, or situation by the exercise of reasonable diligence.

9. BILLING AND PAYMENT

9.1 Monthly Statement

On or before the 5th day of each calendar month, Transporter shall render to Shipper a statement for the preceding calendar month of the total amount of gas delivered, if any. On or before the 10th day of each month Transporter shall render to Shipper an invoice reflecting the amounts due thereon.

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GENERAL TERMS AND CONDITIONS (cont'd)

9. BILLING AND PAYMENT (cont'd)

9.2 Access to Billing Data

Transporter and Shipper shall have the right at all reasonable times to examine the books, records and charts of each other to the extent necessary to verify the accuracy of any billing, statement, charge or computation made by the other pursuant to the provisions hereof.

9.3 Payment

Shipper shall pay Transporter on or before the 20th day of each calendar month the amount due under Transporter's rate schedule for the preceding calendar month. If presentation of a bill by Transporter is delayed after the 10th day of the calendar month, then the time of payment shall be extended accordingly unless Shipper is responsible for such delay.

9.4 Penalty for Late Payment

In the event of late payment of any bill, the unpaid amount thereof shall be subject to a penalty charge, from the date due until paid, at an annual rate, compounded annually, equal to 125% of the prime rate being charged by Bank of America (NT&SA) at Los Angeles, California, in effect on the first banking day after the invoice payment is due and thereafter revised from time to time.

GENERAL TERMS AND CONDITIONS (cont'd)

9. BILLING AND PAYMENT (cont'd)

9.5 Errors in Billing

In the event of an error in billing in any statement rendered by Transporter, such error shall be adjusted within 30 days after a claim is made, provided such claim is made within 36 months from the date of the statement.

If the error is discovered after payment has been made by Shipper, Transporter shall refund the amount of any resulting overcharge with penalty thereon at the same rate provided for late payment of bills, and Shipper shall pay the amount of any resulting undercharge but without penalty.

If the parties are unable to agree on the adjustment or refund alleged to be required as a result of a claimed billing error, commencement of any legal procedures, either at law, in equity or otherwise, shall take place no later than 39 months after the date of the statement or shall forever be barred.

9.6 Disputed Statements

In case any portion of a statement shall be in dispute, Shipper shall make provisional payment of the total amount thereof subject to reimbursement for any overcharge; however, the payment of such disputed portion shall not be deemed to be a waiver of the rights of the party affected to contest the disputed portion of the statement. Failure to make such provisional payment shall constitute a default under this agreement.

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GENERAL TERMS AND CONDITIONS (cont'd)

10. SERVICE AGREEMENT

Shipper shall enter into a contract with Transporter under Transporter's Form of Service Agreement; provided, however, that a contract between Transporter and Shipper which was in effect on the effective date of this Tariff, shall remain in effect and shall be considered as an executed Service Agreement to the extent that its provisions are not superseded by or in conflict with the provisions of this Tariff until such contract is replaced or superseded.

11. SCHEDULES AND CONTRACTS SUBJECT TO REGULATION

This Tariff, including these General Terms and Conditions and respective obligations of the parties under the Service Agreements are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.

12. NOTICES

Any formal notice, request or demand provided for in these General Terms and Conditions and the Rate Schedules to which they apply, or any notice which either Transporter or Shipper may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of Transporter or Shipper, or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements and payments, shall be considered as duly delivered when hand delivered or mailed by either registered or ordinary mail. Routine operating communications by telephone, facsimile transmission or other mutually agreeable means of communication between members of the operating staffs shall be considered duly delivered without confirmation in writing.

GENERAL TERMS AND CONDITIONS (cont'd)

13. SALES FOR RESALE FROM PIPELINE FACILITIES

It is the policy of Transporter that it will not build or contribute to the cost of building any sales lateral pipelines to resale customers.

Nothing in this policy statement shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act. Nothing in this policy statement, further, shall prevent Transporter from contesting an application for service filed pursuant to Section 7(a). Transporter reserves the right to seek a waiver of the policy set forth herein, for good cause shown, during any proceeding before the Commission instituted under Section 7 of the Natural Gas Act.

14. FERC ANNUAL CHARGE ADJUSTMENT

14.1 Purpose. For the purpose of funding Transporter's share of the Federal Energy Regulatory Commission's gas program costs, this section established an Annual Charge Adjustment ("ACA") provision to be applicable to all rate schedules as set forth in Transporter's currently effective FERC Gas Tariff.

14.2 Basis of the Annual Charge Adjustment. The rate schedules specified in Section 14.1 hereof shall include an increment for ACA charges as required by the Federal Energy Regulatory Commission. Such adjustment charge shall be that increment adjusted to Transporter's pressure base and heating value, if required, which is listed on the Commission's Annual Charges Billing. The ACA charge shall be reflected in Section 3.1.2 of Rate Schedule FT-1.

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GENERAL TERMS AND CONDITIONS (cont'd)

14. FERC ANNUAL CHARGE ADJUSTMENT (cont'd)

14.3 Filing Procedure. The notice period shall be as provided in the Commission's regulations and the proposed effective date of Transporter's ACA filings shall be October 1 of each calendar year unless for good cause shown a lesser notice period and different effective date is allowed by valid Commission Order. Any such filing shall not become effective unless it becomes effective without suspension or refund obligation.

14.4 Remittance to the Federal Energy Regulatory Commission. Transporter shall remit to the Federal Energy Regulatory Commission, on or before the date which is specified on the Annual Charges Billing, the Total Annual Charge stated on such billing.

14.5 Accounting Procedures. Transporter shall record annual charges billed by the Federal Energy Regulatory Commission (FERC) in Account No. 186 Miscellaneous Deferred Debits when paid. This cost shall be amortized by charges to Account No. 928 - Regulatory Commission Expenses.

To provide for the recovery of this cost, Transporter will bill to its Shipper on a monthly basis an amount equal to the approved rate as reflected in Transporter's Rate Schedules FT-1 and IT-1, times the actual volumes delivered during that month for all rate schedules.

The monthly difference between the amount amortized to Account No. 928 from Account No. 186 and the amount billed to the customer each month shall be charged or credited to Account No. 186 with contra charges or credits to Account No. 253 - Miscellaneous Deferred Credits.

GENERAL TERMS AND CONDITIONS (cont'd)

14. FERC ANNUAL CHARGE ADJUSTMENT (cont'd)

14.5 (cont'd)

At the conclusion of each NGA Section 4 Rate Proceeding settlement period, any over or under recovered difference may be included in a NGA Section 4 Rate Proceeding to collect from or refund this difference to its customers.

Transporter shall not attempt to collect through a NGA Section 4 Rate Proceeding those charges to Account No. 928 which have been previously recovered from its customers through the monthly billings.

15. Right Of First Refusal

Any Shipper under Rate Schedule FT-1 shall have the right of first refusal to retain capacity for transportation up to the Daily Contract Receipt Quantity set forth in Exhibit A of its service agreement. Buyer/Shipper shall notify Transporter no later than 180 days prior to expiration of the service agreement if such retention is desired.

Prior to the expiration of the Service Agreement, Transporter will post a notice on its EBB that the existing Shipper's service agreement will terminate in 180 days and the Shipper has either elected or not elected to terminate.

15.1 In the event a Shipper elects termination, Transporter shall subject this capacity to a bidding process. Transporter shall require bids be submitted no later than 120 days prior to the Service Agreement expiration. The bid period will be 30 days. Transporter will announce the bid winner(s) 30 days after the close of the bid period. Winning Shipper(s) and Transporter must execute a new firm transportation service agreement prior to service commencement.

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GENERAL TERMS AND CONDITIONS (cont'd)

15. RIGHT OF FIRST REFUSAL (cont'd)

15.2 In the event a Shipper does not elect termination, Transporter will commence open bidding 120 days prior to the Service Agreement expiration. The bid period will be 30 days. The Shipper will have 30 days from the close of the bid period to match the highest bid(s). Transporter will announce the winning bid(s) within 30 days after the close of the match period. If the original Shipper matches the highest bid(s), the capacity is awarded to the original Shipper. If the original Shipper does not match the highest bids, the original Shipper's bid shall be rejected. If there is more than one winning bid, Transporter shall award capacity on a pro rata basis. New Shippers must execute a firm transportation service agreement with Transporter prior to service commencement.

15.3 Bids shall be evaluated on the net present value incorporating price and term. The price shall be the rate Shippers are willing to pay up to the maximum authorized rate. The maximum term shall be 20 years.

15.4 If there are no other competing bids, the rate and terms of continuing service is to be negotiated between the existing Shipper and Transporter. In addition, in this instance, if the existing Shipper agrees to pay the maximum authorized rate, the existing Shipper may determine the term it desires and Transporter must extend its contract to the existing capacity holder accordingly.

15.5 Shippers who terminate their service agreements in accordance with the terms of Section 15 herein are not liable for any reservation charges or other charges applicable to the new Shipper contracting for this capacity.

GENERAL TERMS AND CONDITIONS (cont'd)

16. ELECTRONIC BULLETIN BOARD

16.1 General. Transporter shall maintain an Electronic Bulletin Board (EBB) which will provide a range of electronic pipeline services and information to all parties on a non-discriminatory basis. The EBB is available to any party that has compatible equipment for electronic communication and transmission of data. Access to the EBB is obtained by contacting 213/623-9964. The EBB will operate 24 hours a day; however, certain functions may be limited to specific operating times during the business day. There is no charge to use the EBB.

Transporter shall exercise reasonable efforts to ensure the accuracy of information presented on the EBB. Transporter makes no representation or warranty of any kind to any person concerning the use of Transporter's EBB, including, without limitation, the accuracy of any posted information and shall not be liable to any person for any damages, including without limitation any special, incidental or consequential damages which may arise in connection with Transporter's posting of information on the EBB or as a result of any person's use, abuse or misuse of Transporters's EBB.

16.2 Equipment. For access to the EBB a computer modem (1,200 Bits per second) is needed.

16.3 Historical Information. Transporter will back-up daily transaction information on the EBB. This historical information shall be kept for a three-year period and may be archived off-line. Transporter will provide access to historical data in one of the following manners:

- ù Direct access by parties via the EBB. In such cases, data may be viewed, down loaded to a computer or printed by the party.

GENERAL TERMS AND CONDITIONS (cont'd)

16. ELECTRONIC BULLETIN BOARD (cont'd)

16.3 Historical Information (cont'd)

- ù Transporter may elect to archive historical data off-line. Parties may access this data by sending a written or an electronic mail request to Transporter requesting such historical data. Transporter will make such information available to Shippers at the offices of Transporter.

17. CAPACITY RELEASE

Any Shipper or Replacement Shipper under Rate Schedule FT-1 shall be entitled to release all or a portion of its capacity to Transporter for resale. Any Shipper or Replacement Shipper releasing capacity will be called "Releasing Shipper." Any person purchasing released capacity shall be called "Replacement Shipper."

17.1 Procedure for Making Offer to Release:

- a. Releasing Shipper shall provide Transporter with an offer in writing to release capacity for resale and shall include in such offer the following information:
 - 1. Whether such release will be on a permanent or temporary basis,
 - 2. Whether the capacity released will be subject to recall,
 - 3. The specific quantity to be released, the duration of release and any other conditions of the offer to release such as conditions for acceptance of contingent bids,
 - 3.1 If contingent bids will be accepted, the offer must state whether, or for what time period, bidders would be obligated to acquire released capacity should the winning contingent bidder exercise its option not to take released capacity.

GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (Cont'd)

17.1 Procedure for Making Offer to Release: (cont'd)

a. (cont'd)

4. The name, address and telephone number of the representative authorized to act on behalf of the Releasing Shipper with respect to the offer to release.
5. The date and time for submitting bids and posting on the EBB.
6. The Receipt and Delivery points associated with the offer, which shall be the receipt and delivery points for the Replacement Shipper.
7. The length of time the offer to release should be posted on Transporter's electronic bulletin board, which length of time shall not be less than the minimum periods described in Section 17.1(c) below.
8. Whether bids for the released capacity shall be evaluated based on (1) the economic value of the reservation fee portion of the bid, as calculated pursuant to Section 17.6 hereof; (2) the reservation fee per MMBtu of the bid; (3) other objective and non-discriminatory criteria provided by the Releasing Shipper to Transporter, or (4) a volumetric basis up to the maximum rate provided under Rate Schedule IT-1 or any combination thereof for any amount or release capacity, and

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GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (Cont'd)

17.1 Procedure for Making Offer to Release: (Cont'd)

a. (cont'd)

9. Whether, if two or more persons submit bids of equal value, the released capacity will be allocated (1) pro rata; (2) to the person first submitting a bid or (3) by lottery.

b. The amount of capacity offered for release at each delivery point shall not be less than 100 MMBTU per day, so as to avoid measurement difficulties relative to smaller amounts and disproportionate administrative burdens.

c. Minimum posting periods shall be as follows:

1. For capacity to be released for a term of one month to three months, the posting must be for at least three days prior to the date capacity will become available.

2. For capacity to be released for a term of more than three months but less than two years, the posting must be for at least 10 days prior to the date the capacity will become available.

3. For capacity to be released for a term of two years or longer, the posting must be for at least 15 days prior to the date the capacity will be available.

4. The above posting periods shall not be applicable in the case of a prearranged transaction at the maximum rate pursuant to Section 17.3, or to any release pursuant to 17.12 or 17.13.

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GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (cont'd)

17.2 Competitive Bidding Procedure: Transporter shall post on Transporter's EBB each offer to release for the length of time specified pursuant to Section 17.1 hereof and shall post all of the other information required pursuant to Section 17.1. Potential Replacement Shippers may tender to Transporter bids to accept an offer posted on the electronic bulletin board prior to the expiration of the length of time for the posting of such offer. A bid may include an offer to pay up to Transporter's Maximum Rate set forth in Section 3.1 of Rate Schedule FT-1, regardless of the rate paid by Releasing Shipper. Any offer to release capacity can be withdrawn up to the end of the time period for accepting bids. Any bid shall constitute an offer which can be withdrawn up to the end of the time period for accepting bids. However, if a bid is withdrawn, the bidder may not submit a new bid at a lower rate. All bids shall be kept posted on the EBB (excluding name of bidder) until the time for bidding as described in Section 17.1 has expired. Upon expiration of such time, Transporter shall remove such offer of release from its EBB and determine the winning bid. Transporter shall reveal the winning bid and all other bids on the EBB immediately upon the close of bidding. In all cases, Replacement Shippers and potential Replacement Shippers will be subject to all requirements of this Tariff. Transporter shall contract with the Replacement Shipper which otherwise satisfies the requirements of this Tariff and whose bid is highest under the criteria specified to Transporter by Releasing Shipper.

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GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (Cont'd)

17.2 Competitive Bidding Procedure (cont'd)

The winning bid shall be posted on Transporter's EBB (including name of bidder) within five business days after the close of bidding, or whatever longer period of time is reasonably necessary to determine a Replacement Shipper's qualifications under the provisions of this Tariff. In the event that the winning bid is submitted by a person that has prequalified under Section 17.14 hereof, the winning bid shall be posted on Transporter's EBB within three business days after the close of bidding.

17.3 Prearranged Replacement Shippers: Releasing Shipper shall have the right to tender an offer for all or a portion of the released capacity accepted by a potential Replacement Shipper otherwise satisfying the terms of this Tariff. Releasing Shipper shall include with the offer the name of the prearranged Replacement Shipper as well as all of the other information required by Section 17.1 hereof. The offer to release shall be posted for the minimum time periods specified in Section 17.1. Such potential Replacement Shipper found by the Releasing Shipper shall have the right of first refusal, exercisable within three business days of being informed by Transporter that a higher bid was submitted, to match the highest price of any bid for such capacity, based on the criteria of the prearranged transaction. In the event the Replacement Shipper found by the Releasing Shipper matches the highest bid, capacity shall be allocated to that Replacement Shipper. In the event a

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GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (Cont'd)

17.3 Prearranged Replacement Shippers: (cont'd)

potential Replacement Shipper found by the Releasing Shipper agrees to pay the maximum rate applicable to the released capacity for the duration of the release and otherwise agrees to the terms and conditions of the offer, then such offer to release shall not be subject to the competitive bidding procedure and shall be posted for one week on Transporter's EBB for informational purposes only.

17.4 Execution of Service Agreement:

Once the conditions of this Tariff are satisfied and as a condition precedent to receiving service pursuant to a capacity release, Replacement Shipper shall execute a Service Agreement with Transporter pursuant to the pro forma Service Agreement incorporated as a part of this Tariff. In the interim, to satisfy the terms and conditions of this Tariff, Replacement Shipper will execute an Interim Service Agreement to make such release effective immediately. This Interim Service Agreement will become part of, by exhibit, the final executed Service Agreement. Once a Service Agreement is executed, Replacement Shipper shall be a Shipper on Transporter's system, subject to the terms and conditions of this Tariff and the Service Agreement. Replacement Shipper shall be fully obligated to Transporter for all obligations assumed in the Service Agreement.

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GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (Cont'd)

17.5 Billing Adjustment:

Transporter shall continue to bill Releasing Shipper for the released capacity as follows:

- a. Releasing Shipper will be billed for its contractual Reservation Fee.
- b. The Releasing Shipper's invoice shall include a credit for Reservation Fee billings by Transporter to the Replacement Shipper up to the amount of the Reservation Fee per MMBtu set forth in Releasing Shipper's transportation service agreement.
- c. Releasing Shipper shall remain fully obligated under the terms of its Service Agreement with Transporter during and irrespective of any capacity release, for all charges described above. Releasing Shipper shall not be liable for other charges incurred by any Replacement Shipper that has purchased capacity released by the Releasing Shipper, including, but not limited to, the usage fees to be paid by Replacement Shipper, surcharges, overruns, or other charges.
- d. In the month following the termination of Replacement Shipper's transportation service agreement, Transporter shall pay Releasing Shipper an amount equal to any credit that otherwise would be due under this Section 17.5.

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GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (Cont'd)

17.6 Calculation of Economic Value: The economic value of each bid hereunder shall be determined by multiplying the bid rate per MMBTU of capacity times the bid amount of capacity times the term of the bid. If the bid term is longer than one year, the amounts bid for each succeeding year shall be discounted through use of a net present value calculation using as a discount factor the currently effective interest rate calculated by the Commission for refunds pursuant to 18 C.F.R. 154.67(c) (2) (iii) (A).

17.7 Term: Any release under this Section shall be for a minimum term of one Day and may have a maximum term up to the earlier of (a) the expiration date of this Tariff provision; (b) the expiration of the remaining term of the underlying FT-1 Service Agreement; or (c) termination of Transporter's capacity release program by the Commission.

17.8 Scheduling: The Replacement Shipper shall be responsible for all scheduling of capacity released to a Replacement Shipper except that, for any firm release of capacity subject to the right by Releasing Shipper for recall, Releasing Shipper may assume scheduling responsibility upon notice received by Transporter during normal business hours for gas receipts/deliveries for that day. Upon receipt of such notice, Transporter shall follow scheduling instructions only from Releasing Shipper until Transporter's receipt of written notice from Releasing Shipper that it no longer is assuming scheduling responsibility. Transporter shall treat written notice from Releasing Shipper as conclusive evidence that the released capacity has been recalled.

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GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (Cont'd)

17.9 Indemnity: Transporter shall not be liable to any Shipper or other person for any actions taken in evaluating bids, or in overseeing or administering the capacity release program described in Section 17 except as a result of Transporter's negligence or misconduct; provided that in no event shall the Transporter be liable for consequential or special damages. A Releasing Shipper shall indemnify and hold Transporter harmless from and against any and all costs, expenses, claims, judgments and fines, including legal fees incurred in defense of any lawsuit or other proceeding, as a result of any action taken by Transporter in evaluating bids, or in overseeing or administering its capacity release program including without limitation for refunds made to Releasing Shipper, and except for costs, expenses, claims, judgments and fines, including legal fees incurred in defense of any lawsuit or other proceeding, as a result of Transporter's negligence or misconduct.

17.10 Refunds: Transporter shall make all refunds to the Releasing Shipper. In no event shall Transporter be liable to Replacement Shipper for refunds for providing transportation service. It shall be Releasing Shipper's sole responsibility to flow refunds through to its Replacement Shipper.

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GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (Cont'd)

- 17.11 Releases During One Calendar Month: A Releasing Shipper may release capacity during any calendar month, for any period less than one calendar month, without following the procedures set forth in Sections 17.1, 17.2 and/or 17.3 hereof. No such release may be extended beyond one calendar month to the Replacement Shipper or any of its affiliates without following the procedures set forth in Sections 17.1, 17.2 and/or 17.3 hereof or if Replacement Shipper offers to pay the maximum rate and complies with all other terms and conditions for releases under this Tariff. The terms and conditions of any release pursuant to this section, plus the identity of the Replacement Shipper, shall be provided to Transporter within 24 hours of the commencement of the release and posted by Transporter within 48 hours of the release for 48 hours. In all cases Replacement Shipper will be subject to all requirements of this Tariff.
- 17.12 Special Releases: Any Shipper may post for bid a special release. Such posting shall set minimum price terms and the first qualified bidder to submit a bid at those terms shall immediately obtain the capacity. A special release shall not extend longer than 10 days, and may not be rolled over except pursuant to the procedures in Sections 17.1, 17.2, 17.3 and/or 17.12 hereof. In all cases the Replacement Shipper will be subject to all the requirements of this Tariff.
- 17.13 Offers To Purchase Capacity: Any person may submit to Transporter for posting an offer to purchase capacity. Any Shipper may attempt to accept such a posted offer by following the prearranged offer provisions of Section 17.3 hereof.

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GENERAL TERMS AND CONDITIONS (cont'd)

17. CAPACITY RELEASE (Cont'd)

- 17.14 Prequalifications: Any person may request that Transporter determine that it is qualified to be a Replacement Shipper prior to submitting a bid to purchase capacity. Such prequalification by Transporter shall remain effective for six months subsequent to the determination by Transporter. Any person who has obtained a prequalification must report any subsequent material adverse change in its situation to Transporter, which shall then make a new determination of that person's qualifications. If Transporter determines that any Replacement Shipper that obtained capacity on a prequalification suffered a material adverse change in its situation prior to obtaining capacity without reporting that fact to Transporter, such Replacement Shipper must immediately demonstrate to Transporter that it is qualified to be a Replacement Shipper under Transporter's tariff, or Transporter shall have the right to terminate such Replacement Shipper's Replacement Transportation Service Agreement.

- 17.15 Permanent Release: A Shipper may offer to make a permanent release of capacity pursuant to the procedures of Section 17.2 or 17.3 with the Releasing Shipper fully released from all of its obligations under its Transportation Service Agreement. Transporter shall evaluate such offer on a non-discriminatory basis.

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Original Sheet Nos. 63-104 Original Sheet Nos. 63-104 : Effective

Original Sheets Nos. 63 through 104, inclusive, are reserved.

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Original Sheet No. 105 Original Sheet No. 105 : Effective

PACIFIC INTERSTATE OFFSHORE COMPANY
FT-1 TRANSPORTATION SERVICE AGREEMENT

This Agreement is made and entered into as of the ____ day
of _____ 19____, by and between PACIFIC INTERSTATE
OFFSHORE COMPANY, hereafter referred to as "Transporter"
and _____, hereafter referred to as
"Shipper".

- ARTICLE I - Representation
- ARTICLE II - Definitions
- ARTICLE III - Scope of Agreement
- ARTICLE IV - Conditions
- ARTICLE V - Gas to be Transported
- ARTICLE VI - Delivery and Receipt Points; Delivery Pressure
- ARTICLE VII - Payments
- ARTICLE VIII - Effective Date and Term
- ARTICLE IX - Force Majeure
- ARTICLE X - Assignment
- ARTICLE XI - Miscellaneous

In witness whereof, the parties hereto have caused this Agreement to be duly executed as of the day and year set forth above.

PACIFIC INTERSTATE OFFSHORE COMPANY

By _____

Title _____

"SHIPPER"

By _____

Title _____

Effective Date: 01/01/1994 Status: Effective
FERC Docket: RS92- 73-001

Original Sheet No. 106 Original Sheet No. 106 : Effective

PACIFIC INTERSTATE OFFSHORE COMPANY
FT-1 TRANSPORTATION SERVICE AGREEMENT

EXHIBIT A

COMPANY - PACIFIC INTERSTATE OFFSHORE COMPANY

COMPANY'S ADDRESS - 633 W. Fifth Street, M.L. 47V
Los Angeles, CA 90071

FT-1 SHIPPER -

FT-1 SHIPPER'S ADDRESS -

Points of Receipt	Daily Contract			
	Receipt Quantity (per day)	Maximum Pressure	Maximum Temperature	Minimum Temperature

Describe Point 1	___Mcf ___MMbtu	___psig	___øF.	___øF.
------------------	-----------------	---------	--------	--------

Describe Point 2	___Mcf ___MMbtu	___psig	___øF.	___øF.
------------------	-----------------	---------	--------	--------

Total
Daily Contract
Receipt
Quantity ___Mcf ___MMbtu

Points of Delivery (List):

Effective Date: 01/01/1994 Status: Effective
FERC Docket: RS92- 73-001

Original Sheet No. 107 Original Sheet No. 107 : Effective

PACIFIC INTERSTATE OFFSHORE COMPANY
IT-1 TRANSPORTATION SERVICE AGREEMENT

This Agreement is made and entered into as of the ___ day of _____ 19__, by and between PACIFIC INTERSTATE OFFSHORE COMPANY, hereafter referred to as "Transporter" and _____, hereafter referred to as "Shipper".

- ARTICLE I - Representation
- ARTICLE II - Definitions
- ARTICLE III - Scope of Agreement
- ARTICLE IV - Conditions
- ARTICLE V - Gas to be Transported
- ARTICLE VI - Delivery and Receipt Points; Delivery Pressure
- ARTICLE VII - Payments
- ARTICLE VIII - Effective Date and Term
- ARTICLE IX - Force Majeure
- ARTICLE X - Assignment
- ARTICLE XI - Miscellaneous

In witness whereof, the parties hereto have caused this Agreement to be duly executed as of the day and year set forth above.

PACIFIC INTERSTATE OFFSHORE COMPANY
By _____
Title _____
"SHIPPER"
By _____
Title _____

Effective Date: 01/01/1994 Status: Effective
FERC Docket: RS92-73-001

Original Sheet No. 108 Original Sheet No. 108 : Effective

PACIFIC INTERSTATE OFFSHORE COMPANY
IT-1 TRANSPORTATION SERVICE AGREEMENT

EXHIBIT A

COMPANY - PACIFIC INTERSTATE OFFSHORE COMPANY

COMPANY'S ADDRESS - 633 W. Fifth Street, M.L. 47V
Los Angeles, CA 90071

IT-1 SHIPPER -

IT-1 SHIPPER'S ADDRESS -

	Daily Contract Receipt			
Points of Receipt	Quantity (per day)	Maximum Pressure	Maximum Temperature	Minimum Temperature
Describe Point 1	___Mcf ___MMbtu	___psig	___øF.	___øF.
Describe Point 2	___Mcf ___MMbtu	___psig	___øF.	___øF.
Total Daily Contract Receipt Quantity	___Mcf ___MMbtu			

Points of Delivery (List):

Effective Date: 01/01/1994 Status: Effective

FERC Docket: RS92-73-001

Original Sheet Nos. 109-124 Original Sheet Nos. 109-124 : Effective

Original Sheet Nos. 109 through 124, inclusive, are reserved.

Effective Date: 01/01/1994 Status: Effective

FERC Docket: RS92-73-001

Original Sheet No. 125 Original Sheet No. 125 : Effective

INDEX OF TRANSPORTERS

Identification of Service Agreement

Name of Transporter	Schedule	Date	Execution	Effective
			Date	Term

